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PRIME MINISTER

FOR MEDIA

SUNDAY, 20 DECEMBER 1981

ELECTORATE TALK

1981 has been a year of achievement and consolidation. The Government has maintained and strengthened its commitment to the fundamental belief that individual Australians have the right and must have the freedom to decide for themselves their own needs and priorities.

This belief was given particular concrete expression this year in the Review of Commonwealth Functions, for from that review have come decisions aimed at strengthening the role of individual initiative and private enterprise, as well as achieving a more appropriate balance of responsibilities between the Commonwealth and the the states. But in an important sense, the Review of Commonwealth Functions was simply a continuation of the philosophy and policies the Government has consistently pursued for six years, which have laid the foundations for a more prosperous and confident Australia.

In 1980/81, the benefits of those policies not only became more apparent, but were shared by all Australians, and nothing illustrates this more clearly than the fact that Australian households received an increase in their real disposable incomes, after tax of nearly \$3 billion in 1980/81. Economic success has been achieved across a wide front. While there are increasing inflationary pressures in the Australian economy, which are in part a product of the economic growth that has been achieved, inflation in the year to September was contained to just over 9%, this is below the level of twelve months ago, and is still below world levels, although it is becoming more difficult to maintain our competitive edge. 1981 was also a year in which the fight against inflation was seen more clearly than ever before, not as an end in itself, but as a means of achieving greater investment, more jobs and higher living standards for all Australians.

The main foundation for our recent outstanding performance lies in the renewed confidence of business to invest in all sectors of the Australian economy. For while real private investment in most other industrial countries is flat or declining, private business investment in Australia rose by over 21% in real terms in 1980/81 - the strongest growth in three decades. Production and consumer demand have been strong, and substantial employment growth has been achieved.

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The development of Australia's abundant resources - especially our oil and non-oil energy resources - was accelerated during 1981, and Australia now has a role as one of the few significant energy suppliers to an energy hungry world, a role which will be of great value to the world economy, and to ourselves.

Our economic success has not come about by chance. It has required maintenance of the right policies, policies of sound and responsible economic management. Moreover the Government has integrated its promotion of the conditions for economic growth and prosperity with policies of care and concern for the needs of people. In the area of social welfare, the Government will spend over \$11,300 million this financial year - approaching 30% of total budget outlays.

1981 has seen the Government introduce significant initiatives in increasing benefits for the handicapped; for veterans and for families, and the provision of assistance for migrants, aborigines and young people has continued to receive a high priority. Under the new health insurance arrangements introduced this year, there is provision for some three million needy Australians to have their health costs met by Government, while those who can better afford to insure themselves against the cost of medical and hospital bills have been given an incentive to do so in the form of a tax rebate.

1981 has also seen other significant legislative achievements. Freedom of information legislation has been introduced and the human Rights Commission has been established. New arrangements have been established for the major domestic airlines, and there has been a rationalisation of the method of calculation of air fares. In accordance with the Government's stated aim of clamping down on tax avoidance, a number of schemes have been outlawed by the Parliament, and through carefully constructed new legislation we have sought to prevent new schemes springing up to replace them. And in the fulfilment of the Government's election promise, the Conciliation and Arbitration Act has been amended to allow unionists to demand secret ballots before taking industrial action.

Of major importance in 1981 has been the Government's commitment to making a meaningful contribution to international affairs, particularly in our own region. The Commonwealth Heads of Government Meeting in Melbourne did much to focus world attention to those problems facing both the developed and developing nations. Our willingness to contribute to the Middle East Peace process signifies our commitment to the need for a just and lasting peace in that troubled region.

1981 has presented challenges as well as opportunities to this nation, and I believe that in grasping the opportunities and attempting to come to terms with the challenges, the groundwork has been prepared for further desirable achievements in 1982. I would like to take this opportunity to wish you all a happy Christmas and a successful and satisfying 1982.